

SUMMARY OF TAX LEGISLATION VETOED DURING THE 2013 LEGISLATIVE SESSION

Prepared for the Revenue and Transportation Interim Committee
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INTRODUCTION

This document is a summary of tax-related legislation vetoed during the 2013 legislative session. The summary is presented by the following categories: individual income and corporation license taxes and property taxes.

House bills are summarized first in ascending order, then Senate bills in ascending order. Each bill summary is headed by the bill number and chapter number.

INDIVIDUAL INCOME AND CORPORATION LICENSE TAXES

1. **House Bill No. 19.** Amending provisions for the waiver of interest; revising the uniform penalty assessments on delinquent taxes, providing that interest assessments on delinquent taxes; providing that interest assessments on delinquent income taxes are based only on the federal underpayment rate assessed against individual income taxpayers; providing that underpayment interest on estimate individual income taxes is not required under certain conditions; providing that the penalties for substantial understatement of a tax or for filing a fraudulent or frivolous return or report are similar to federal penalties, clarifying the taxation of federal individual income tax refunds.
 - a. Amending sections 15-1-206, 15-1-216, 15-30-2110, 15-30-2341, and 15-30-2512, MCA.
 - b. Vetoed May 6, 2013.
 - c. Veto override poll failed.
2. **Senate Bill No. 81.** Allowing tax credits for contributions to education improvement organizations and student scholarship organizations by individual and corporate taxpayers.
 - a. Enacting sections.
 - b. Amending section 15-30-2110, MCA.
 - c. Vetoed May 6, 2013.
3. **Senate Bill No. 282.** Generally revising the taxation of income, including the corporate license tax; requiring the taxation of individuals, partnerships, and subchapter S. corporations, including trusts and estates, to relate the state individual income tax to federal taxable income.
 - a. Enacting sections.
 - b. Amending sections.
 - c. Vetoed May 6, 2013.

4. **Senate Bill No. 394.** Decreasing individual income taxes levied by 5% for tax year 2014.
 - a. Amending section 15-30-2103, MCA.
 - b. Terminating December 31, 2014.
 - c. Vetoed May 6, 2013.

PROPERTY TAXES

1. **House Bill No. 408.** Reducing the tax rate for certain air and water pollution control equipment for property tax purposes; providing a reimbursement.
 - a. Enacting section.
 - b. Amending sections 15-1-121, 15-6-135, 20-9-501, and 20-10-146.
 - c. Vetoed May 6, 2013.
 - d. Veto override poll failed.
2. **Senate Bill No. 138.** Extending class fourteen property tax classification to all future electrical generation facilities and fuel and gas production facilities.
 - a. Amending sections 15-6-137, 15-6-141, 15-6-157, 75-20-104, and 75-20-304, MCA.
 - b. Vetoed April 26, 2013.
3. **Senate Bill No. 240.** Exempting certain air and water pollution control equipment from property taxes.
 - a. Amending sections 15-6-135 and 15-6-219, MCA.
 - b. Vetoed May 6, 2013.
 - c. Veto override poll failed.